

ORDINANCE NO. 1228

CITY OF LODI

AUTHORIZING THE NORTHERN CALIFORNIA POWER  
AGENCY TO ISSUE REVENUE BONDS (NCPA PROJECT  
NO. 1 - DEVELOPMENT FUND BONDS)

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LODI

that:

Section 1. - Northern California Power Agency organized under that certain Joint Powers Agreement to which this City is a party, dated July 19, 1968, as amended. ("NCPA") is authorized pursuant to Section 6547 of the Government Code to issue bonds, notes including bond anticipation notes or other evidences of indebtedness (to be hereinafter referred to as "Development Fund Bonds") to the full extent permitted by the provisions of Section 6540 ~~et seq.~~ of the Government Code (the "Bond Act").

Section 2. -.The project to be temporarily financed by the Development Fund Bonds hereby authorized is the purchase of the right to obtain electrical capacity produced by Northern California Municipal Power Corporation No. One, a nonprofit corporation (the "Corporation"), which has agreed to act on behalf of NCPA to conduct exploratory drilling for geothermal steam wells to be developed as the first step in the acquisition, construction, maintenance and operation of a power plant and other facilities and appurtenances necessary or convenient to such plant, including transmission lines and geothermal steam

wells ("Project") "said geothermal steam to be produced from certain leasehold interest acquired by Corporation in Lake County, under an "Agreement for Sale and Purchase of Geothermal Leases" between NCPA, Corporation and the Trustee in Bankruptcy of Resource Funding Ltd. dated January 24, 1980 and approved by appropriate decree of the Bankruptcy Court).

Section 3. - The estimated amount of Development Fund Bonds to be issued for the purposes described in Section 2 is five million dollars (\$5,000,000.00); provided that nothing herein shall be deemed to prevent the issuance of additional Development Fund Bonds to the extent such additional bonds are required to complete the temporary financing of the project described in Section 2 hereof, including the issuance of bond anticipation notes and refunding bonds therefor.

Section 4. - The anticipated sources of revenue or other funds to pay the principal and interest on the Development Fund Bonds are payments under the Development Fund Agreement "NCPA Member Agreement for Participation in Electrical Power Development" entered into between the members of NCPA and NCPA on July 1, 1975, revised May 1, 1978, and amended April 26, 1979, or additional Development Fund Bonds (including additional Development Fund Bonds used for refunding purposes); provided further such sources shall also include the proceeds of project revenue Bonds payable from revenues for electricity generated from the project, separately authorized pursuant to Section 6547 of the Bond Act by subsequent ordinance for the purpose of

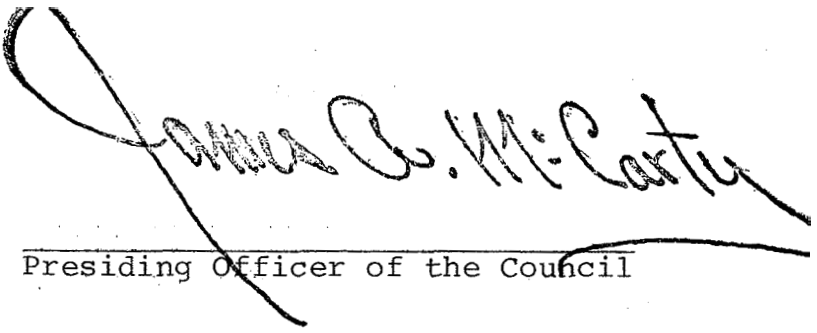
permanent financing of the Project ("Project Revenue Bonds") or bond anticipation notes in anticipation of the Project Revenue Bonds; in addition, such Development Fund Bonds may be secured by a guarantee, letter of credit or other obligations or funds of a bank or private financial institution.

This ordinance does not increase the City's obligation under said existing Development Fund Agreement which may only be increased by consent of the City hereafter.


Section 5. - The Cities of Palo Alto and Redding are not participants in the acquisition, construction, maintenance, operation or financing of the Project and nothing in this ordinance shall mean or be construed to mean that such cities have assumed or agreed to assume any financial or other responsibility or liability associated with the acquisition, construction, maintenance, operation or financing of the Project.

Section 6. - This ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California. Subject to the foregoing, this ordinance shall take effect and be in force sixty (60) days from the date of adoption.


Section 7. - The City Clerk of the City is hereby directed to cause this ordinance to be published within fifteen (15) days after its adoption in a newspaper of general circulation within the City of Lodi and shall also do all of the things required to cause notice of the adoption of this ordinance to be published in the manner required by Section 6040.1 of the Government Code of the State of California.

  
Presiding Officer of the Council

Attest:

  
City Clerk

Approved as to form:

  
City Attorney

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1228 was introduced at a regular meeting of the City Council of the City of Lodi held June 3, 1981 and was thereafter passed, adopted and ordered to print at a regular meeting of said Council held June 17, 1981 by the following vote:

Ayes : Councilmen - Hughes, Katnich and McCarty

Noes: Councilmen - None

Absent: Councilmen - Murphy and Pinkerton

Abstain: Councilmen - None

  
ALICE M. REIMCHE  
City Clerk